

April 17, 1973

PRESIDENT: The chair recognizes Senator Syas.

SENATOR SYAS: Just a comment. I was very interested in Senator Proud's talk on spending money and not wanting a tax reduction and I voted on his side yesterday, but I can remember a Senator from Omaha that led a tax revolt by bus on the Capitol building here a few years ago. I don't think it is quite consistent, now with his opinion and then.'

PRESIDENT: The chair recognizes Senator Mahoney.

SENATOR MAHONEY: Mr. President, I make two brief points. The Governor budget is fifteen percent above last year's budget, fifteen percent above. In your household, do you call for a fifteen percent increase each and every year. That's the first point I would like to make. The second point I'd like to make is that I think that this is the time that we should stand behind our Budget chairman, Senator Marvel, because I want to compliment him today in the speech that he made and to say to the Legislators that are present here today that they have analyzed the Governor's budget. They have taken it apart. The Governor has come before us and said that he can live with this budget. I think that the Legislature yesterday in their action were not too hasty and I think, very definitely, that we should stand behind the Budget chairman and the members of that Budget Committee and support them in the action that was taken yesterday and not rescind that action in which Senator Barnett has asked us to do this morning.

PRESIDENT: Next to speak is Senator Goodrich, then Stahmer, Anderson, Cavanaugh.

SENATOR GOODRICH: Mr. President and members of the body, I'd like to clear up about three things. Number one is my stand yesterday was, in essence, to slow down. Let's see what the repercussions were going to be and then, after we have thought about it, then let's decide which way we are going to go on this issue. Number one, I'd like to clearly state right now that I support the action, that part of the action we took yesterday relative to the Governor's budget, that's 259. I think we did the right thing there. The part that I objected to, however, was our not living up to our own obligation relative to the other bills that we are going to have to consider. We have corrected that part this morning when we decided to take Final Reading bills and pass them, those that do not have fiscal impact. Up to that point, we're OK. Now, one thing...a couple of other things we ought to get cleared up is...let's go back to the Governor's speech of yesterday. He said, for example, latest revenue projections and receipts coupled with our ongoing, sound fiscal management policies can allow, at least, a reduction of up to 33% next year on state income taxes by reducing the rate from 15 to 10. He adds, even further tax reductions could be realized if you'd decide not to employ twenty million dollars of federal, general, revenue sharing funds for aid to education and real property tax relief. Now, if this was the case and if you reject the temptation to spend such funds on other projects, we could, in addition, reduce the state sales tax from 2½ to 2. What he has said is that if we use that revenue sharing money, we can then reduce the state sales tax from 2½ to 2 percent.

(End of Belt #6)